

**COMMITTEE ON FINANCE
(Budget Deliberations)**

May 10, 2004

7:00 PM

Chairman O'Neil called the meeting to order.

Chairman O'Neil called for the Pledge of Allegiance, this function being led by Alderman Porter.

A moment of silent prayer was observed.

The Clerk called the roll.

Present: Aldermen Roy, Gatsas, Guinta, Sysyn, Osborne, Porter, O'Neil, Lopez, Shea, DeVries, Garrity, Thibault

Absent: Aldermen Smith and Forest

Messrs: Chief John Jaskolka, Randy Sherman, Gary Simmons, Chief Joseph Kane, Fred Ruscsek

Chairman O'Neil addressed Item 4 of the agenda:

Continuing discussions relative to FY2005 Municipal Operating budget as follows:

a) Police

Chief Jaskolka stated on behalf of the men women of the Manchester Police Department, my budget team and myself I want to thank you for taking the time to allow us to make our presentation regarding our request for the FY2005 budget. In front of you you should have a pamphlet which outlines our request and what I'd like to do is just take a few moments to go through that outline and then open it up to some questions that I hope we will be able to answer for you. The first page is the increase that's requested for salary and benefits. As you can see, the salary increase is \$325,516. There is no increase for overtime, so our only increase in

that category is the salary itself, \$325,516. And below that is the benefits, retirement and insurance and as you can see that's an increase of \$489,799. On the next page, as most of you are aware salary is 95 percent of our budget. The increases that you do see cover just strictly merit and longevity. There is no severance, severance is not included, and severance came out of our salary line this past year. For benefits, the increase is in health insurance, workers compensation, and retirement, which are all major cost factors as part of the budget. Looking at expenses and capital, which is approximate 5 percent of our budget. We see increases here in lease and maintenance costs for equipment. We will be changing from the CDPD to CDMA and what that is is the system allows us to transmit information from the station to the mobile data cruisers out in the cruisers. Essentially it's a cell phone system, but it's an upgraded system seeing that CDPD is on its way out. And our mounted unit is no longer funded by a grant. Under capital you'll notice there is no increase for replacement of furniture and chairs, many items which are used 24 hours a day and also there is no increase for the bike patrol for repairs or maintenance. The bicycle is very much the cruisers, take a lot of wear and abuse and get to be expensive as we repair them and going along typically during the summer when they're out there essentially 24 hours a day. The 2 critical public safety issues that we have again this year, first and most important is to maintain our current compliment of Police officers in order to continue or high level of service to the community. Calls for service over the past 2 years have increased to an average of 98,550 annually. That being said, approximately 38 percent of those calls require at least 2 cruisers or 2 units to be sent to a call, such as fights or domestics. That brings the total number of response calls to service of a minimum of 135,999. To put it simply, we dispatch a Police officer 135,999 times last year to calls for service. Based on current statistics we still maintain the lowest officer to population to ratio in all major New England cities. Manchester has 1.8 officers per 1,000 residents, the FBI Uniform Crime Report suggests that you should have 2.3 officers per 1,000 residents. And our second public safety needs I'm sure is no surprise to anybody on this board, of course is vehicles. As you're aware we are in desperate need to replace majority of our vehicles. The Board has been very good in allow us to replace some vehicles. Last year we were allow to replace 5 cruisers and 1 patrol wagon and this year we have 9 replacement cruisers on order. We expect to take deliver sometime in mid June. With that being said, we still need 22 vehicles. Our fleet is driven approximately 1,300,000 a year and that equals a distance of crossing the country daily. These vehicles have close to or at least 100,000 on them many of them have 120,000 on them. Given their 24-hour use for the sake of officer safety, these vehicles need to be viewed as consumables and must be replaced immediately. Some of the vehicles that we currently have now according to our garage will pass inspection but they are in extremely poor condition. Vehicle repairs as you can see continue to increase. As of April 17th of this year we've budgeted \$95,000 for vehicle repair, as of April 17th we spent \$126,441 and

our projected total for the year will be \$156,500 for vehicle repair. That concludes this part of the presentation and I would open this up to any questions that we may answer for you.

Alderman Shea stated I was wondering about the mounted patrol no longer funded by grants. Do you consider that an integral part of the Police operation or do you reason that possibly because it's no longer funded by a grant that the officers would become obviously no longer associated with that. Could you explain how much it will cost to implement this program without the grant?

Chief Jaskolka replied before I give you the numbers, the mounted patrol is essentially used as a high visibility patrol. Anytime there is any type of gatherings in the parks and so forth, you can have 3 or 4 or 5 Police officers in a park and no ones really going to see them until they come across them, whereas if you have gathering and you have 2 officers on a mounted patrol, they're sitting so much higher than everybody else that they immediately stand out. And as a crime prevention deterrent they are there, people see them, and people realize that they can get to them probably a lot quicker than an officer on foot and essentially I don't think anybody really wants to get run over by a horse. The increase to maintain the mounted unit this year would be \$7,500 and that includes boarding and their feed.

Alderman Shea asked are these fulltime officers? Do they perform just at high visibility type of activities or are they officers that do this 40 hours a week?

Chief Jaskolka answered essentially they are assigned to the horses 40 hours a week. If we need to put them some place else, we can use them for that purpose also.

Alderman Shea stated so what you're saying is it's 2 officers that are usually involved fulltime and in addition to that the cost of maintaining the horses are \$7,500. Is that correct?

Chief Jaskolka answered that's correct.

Alderman Shea stated the second point, the School Department through charge backs employees I believe 6 officers or have they cut that back into 3, or how does that work in conjunction with your department, that particular process? Could you explain that?

Chief Jaskolka stated I believe you're speaking of the SROs. The officers in the schools?

Alderman Shea answered yes.

Chief Jaskolka answered yes. Currently we have 7 officers that are assigned to the schools in the position of School Resource Officer actually assigned to do investigations and work at the schools itself. And there's also 3 DARE officers that are assigned, 2 of which the schools are billed for, the third one we pay for ourselves.

Alderman Shea stated there are 7 officers that are part of the program.

Chief Jaskolka answered yes. The 3 high schools and the 4 middle schools.

Alderman Shea asked and that's paid by paybacks from the School Department?

Mr. Jaskolka replied charge backs to the School Department.

Alderman Shea asked and then the 2 DARE officers is that charge backs?

Mr. Jaskolka replied 2 of the DARE officers are charge back and 7 of them we pick up the tab for.

Alderman Shea asked they are employed for 9 months and then during the summer they're released from that obligation?

Chief Jaskolka answered that's correct. They're at the schools during the school year and then during the summer the greater majority of them are assigned back to the patrol division to fill in for vacations and so forth.

Alderman Shea asked do the same officers do that every year or do they rotate the officers?

Chief Jaskolka answered pretty much it's the same officers. The DARE officers are all specially trained and the School Resource Officer is usually once they'll go into the schools, they're there for 2 or 3 years.

Alderman Lopez stated in reference to the salary, the health insurance and dental insurance, what percentage are you calculating for the health insurance and dental insurance? I notice that you have 11.13, but I think that you're saying that's for everything here.

Chief Jaskolka replied 11.33 is for everything. Health insurance is approximately 13.85 percent and dental is 22.96 percent.

Alderman Lopez stated you're counting 13.85 for just health insurance?

Chief Jaskolka replied 13.85 for just health insurance, yes.

Alderman Lopez stated Randy I thought that you included 9 percent on health insurance in the Mayor's budget. Is that correct?

Randy Sherman, Deputy Finance Officer, answered what we actually did is we went back and looked at the actual expenses on a department by department basis and the 2004 budget for Police actually looks like it's going to be a little bit shy. That's why their percentage is higher to get up to what we anticipate their actuals are going to be for next year. So overall I think you're right Alderman, what we did is we looked at the general fund overall and pretty much gave it a 10 percent increase. But then it was in essence done on a department by department basis.

Alderman Lopez asked the actual was done department by department?

Mr. Sherman answered right. So you'll see some departments actually went up less than 10 percent, Police because their 2004 budget was a little shy, is actually putting them up higher.

Alderman Lopez asked Chief, on the mounted patrol how long have you had the mounted patrol?

Chief Jaskolka answered I believe this is the fourth year. Originally we had 1 or 2 horses and we switched to these, but I believe is the fourth year we've had it.

Alderman Lopez asked as anybody had any accidents or anything along that line?

Chief Jaskolka answered we've had a couple. As with anything, we've had accidents with the bicycles, we've accidents with cruisers. During the initial training stages of the first set of horses we did have an officer that had an injured wrist that ended up leaving the job.

Alderman Lopez stated I know that you frowned on Police cruisers being sponsored, it is this something that you would lean to? Somebody sponsoring the horse detail? The van itself for \$7,500? You don't have to answer that.

Chief Jaskolka answered actually the trailer is sponsored and the horses were purchased through sponsors.

Alderman Lopez stated my point being, is there room, there may be somebody else to sponsor the \$7,500 for the horse detail. I'd rather have people than horses, but I'm looking whether you would cater to that versus the motor vehicles that was against putting anything on the Police vehicles and I respect that.

Chief Jaskolka stated I know that the actuals of the riders and the horses when there is concern about anything going up on the costs that are willing to go out and even try to find sponsors to actually sponsor the horses. It is something we could definitely look into.

Alderman Lopez stated I was looking for your revenue here. Is that some place? Is it in the packet? Maybe I missed it.

Chief Jaskolka stated I'm told that that page was not placed in your packet, Alderman. I can get that to you if you'd like.

Alderman Lopez stated one of the things that you probably haven't had an opportunity to read your email because I requested through the Mayor's office and I think you'll be getting a communication from the Mayor's office as to where would you if we were directed to increase 2 percent of your revenue, where would you get, what ordinances you would have to have changed in order to do, etc. along that line. You'll probably get that tomorrow as an email so I just wanted to make you aware of it tonight.

Alderman Thibault stated just a couple of things that I'd like to check on. For instance the cost of what this compliment costs, the horses. What kind of a cost is associated with that to you? Including medical and compensation for any accident or whatever? So what kind of a cost is that to your department?

Chief Jaskolka answered I can at best give you an estimate. It's about \$13,000.

Alderman Thibault asked can you tell me the response time whenever someone is in need of this type of program or facility or whatever you want to call it? What is the response time for that? If they are called let's say to the west side railroad track, how long before they get there?

Chief Jaskolka answered normally what happens unless the horses are walking the downtown area, if they're at one of the parks, they are trailered to the parks. They don't actually walk to the park itself. This would be a matter of loading...are you talking a missing person or someone you're looking for in the woods or something similar to that that you'd need to move the horses to a different location.

Alderman Thibault asked what is their real function? Say tomorrow morning, where are they going? Could somebody tell me that? What are they doing tomorrow morning? Are these horses being loaded up tomorrow morning and going to some predetermined located that you have assigned them to.

Chief Jaskolka answered depending on the need for them. If there is a problem somewhere, we'll send them there. They may be patrolling the downtown area. Normally their patrol is the parks.

Alderman Thibault asked can you tell me what type of arrests that goes in with that? Have they made any arrests to anyone?

Chief Jaskolka answered I'm sure they have Alderman, but I don't have that stats off the top of my head.

Alderman Thibault stated that would be crucial. I'd like to know not what their function is, I think I understand what the function is, but what is the pleasure of that? What do we get from that?

Chief Jaskolka answered the horses Alderman are really more of a...unless it's a search mission in the woods, their main function is a deterrent. The fact that they are there, people see them, they are very visible.

Alderman Thibault stated that's a good point and I understand that. Like in parades or whatever and they are there to protect the people. I understand that, but have they made any arrests in some of the functions that they perform? Let's say you send them to Lake Massabesic tomorrow or you send them wherever, have there been any arrests?

Chief Jaskolka answered again Alderman, I don't have those figures off the top of my head. I will do that for you.

Chairman O'Neil stated Chief, just for clarification, my understanding would not be uncommon for the mounted unit to be at one of the high schools at the beginning of the day or at the end of the day and we know there is unfortunately some illegal activity that goes on. I know they've been used extensively up at Stark Park, so maybe if we could just get a little breakdown of some of the...I know you traditionally used them for high crime areas, etc. Maybe if we could just get a breakdown of it.

Chief Jaskolka replied we'll get you a list of their activities.

Chairman O'Neil stated I think your point that they are high visibility and hopefully deterring some criminal activities is very important.

Alderman Osborne stated Chief, I want to get into the non-moving violations. Where does this revenue go? I can't find it in the budget book. I couldn't see non-moving violations or moving violations. I know moving violations go to the State, non-moving violations go to the City. How much is generated from the non-moving violations?

Chief Jaskolka asked parking tickets?

Alderman Osborne answered yes.

Chief Jaskolka replied actually it's listed under expired meters. FY2003 the actual revenue is \$926,808.

Alderman Osborne asked and how is this disbursed? Does this go back to the general fund itself?

Chief Jaskolka answered that would all go to the general fund.

Alderman Roy stated first I'd like to thank the Chief and his staff for being here as well as having staff at my Ward 1 community meeting, which brought the horses to Stark Park and I can share that my colleagues on this Board when the large truck and the trailer and 2 large horses and 2 Police officers roll into you parks, if there is criminal activity it will end. I've had a very good response from constituents, not only in visibility, but the deterrent of crime and I am definitely more of a fan of the horse patrol than I was 3 months ago when I had not seen them in action. I have one question regarding a horse patrol. Chief you had mentioned that the \$7,500 had to do with possible and feed for the horses. Do you rent a stable at this time?

Chief Jaskolka answered yes, we rented it and it was part of the grant. Now the grant is gone so we have to pick up the cost of the stable and the feed.

Alderman Roy asked is there a long-term agreement on that facility?

Chief Jaskolka answered it is an annual renewal.

Alderman Roy asked so if land possibly a building were donated, that line item could be taken out and that could be relocated?

Chief Jaskolka answered except for the feed.

Alderman Roy stated they have to eat but the actual facility could be relocated.

Chief Jaskolka answered yes that's correct.

Alderman Roy stated Chief, I know with your budget and looking at the percentage that falls just under salary, this may be a very difficult question for you to answer. If you were to look at a 2 percent decrease from the Mayor's number, what would it do to your department?

Chief Jaskolka answered that would be approximately \$324,000, which would be 5 people.

Alderman Roy asked so it would be a direct labor cost?

Chief Jaskolka answered yes.

Alderman Roy asked so there is no program or services that you could look at or anything else that would be a lower priority item?

Chief Jaskolka answered no. We kind of just barely make it with the 5 percent we have.

Alderman DeVries stated I'd like to take you back to the vehicle repair graph that you prepared for us. If you could tell me the \$95,000 that you've included in your fiscal year 2005 budget, that's predicated on how many new purchases? Is that the 9 or the 22 or?

Chief Jaskolka answered we budget \$95,000 a year for vehicle repair. Because of the age of the fleet, we replace rear ends and transmissions all of the time, which are very costly items. Replacing a good majority of the vehicles is not going to bring that cost down to \$95,000 but it's going to get it closer the more new vehicles we get. To get us back to a level of somewhere in the vicinity of \$95,000 in vehicle repair. We'll still need to replace tires, we still need to do the maintenance on the vehicle so that cost is always going to be there whether the cruiser is 2 days old or had 200,000 miles on it.

Alderman DeVries asked but you did prepare that assumption based on the 9 new vehicle purchases that you've already made? You shifted funds out of our salary line item to buy new vehicles, so the \$95,000, what did you predicate that assumption on? Is that just on those 9, is that on the projected other purchases?

Chief Jaskolka answered the \$95,000 is strictly vehicle repair.

Alderman DeVries stated I understand that. I'm just looking at the prior year when you were spiked quite a bit higher because I assume you had older vehicles and that went up to \$156,000. So I just wanted to make sure that that's a dramatic reduction in your budget.

Chief Jaskolka stated let me let the Deputy answer that. I think he has a little bit better answer than I do on this one.

Gary Simmons, Deputy Police Chief, stated what we did is the \$95,000 is what we've actually budgeted the last several years. As you clearly pointed out, that's gone way over budget. We took a look at the six vehicle purchases we had from last year. The anticipated 9 we're picking up in June thinking that somewhere along the line we might be able to add some additional vehicles along the way, that's why we decided to maintain that \$95,000. We felt that was an equitable amount to continue with based on the recent purchases and some anticipated purchases. I'm just hoping to at least get back to that \$95,000.

Alderman DeVries asked if you had it your way and were authorized to purchase all of the new vehicles that you need for your fleet, what would be the bottom line for a budget number? Is that \$95,000 today's dollars compared to the \$73,000 that you had in fiscal year 1999 or?

Deputy Chief Simmons answered I think if you were to turn around and tell us to go purchase 22 new vehicles, we'd come up with a different number for you. We have to look at that, speak with our maintenance individual, and come up with a different number, but we didn't anticipate those 22 new purchases.

Alderman DeVries stated I'm not sure if your experience goes back in the supervisory level long enough, but when was the last year that you had a satisfactory compliment of fleet that was of reasonable age? What fiscal year? It's not necessary.

Deputy Chief Simmons answered I can tell you back in 1977, 1978 we got all new cars every and a few years after that we got all new cars every other year and then it got really sporadic after that.

Alderman DeVries stated I won't be able to look back at that to look at any dollars to judge it on. I have one other question but it would be a finance question. When Alderman Lopez was questioning you on the health insurance, I think I heard you say that you were basing your experience departmentally rather than Citywide and that the amount of increase was actually varying from department to department.

Mr. Sherman answered that's correct.

Alderman DeVries asked is that something that's been initiated this year or has that...?

Mr. Sherman replied if you recall as we were doing the budgets last year, every year at the beginning of the budget process Human Resources uses the payroll module to calculate salaries and benefits. They do the calculations based on the current year's premium and add an escalator to that. What we then do is we go back and we say the premium is one thing but the City isn't on a premium based insurance, we only pay actual. So we then go back through, by the time the Mayor's budget comes out we have almost 9 months of experience at that time on a department by department basis. So we can then and Human Resources has run their stuff either late November or early December, so they're running it 4 or 5 months early than when the Mayor's is actually due. By the time the Mayor's number comes out, we can use more actual experience in coming up with the benefit numbers.

Alderman DeVries asked doesn't that contradict the philosophy of having a pool to average the risk, if you would, across a larger number of employees? And wouldn't that jeopardize if a very small department had something catastrophic happen among a family member, would then the increase be reflected in...?

Mr. Sherman responded no, the only thing that ultimately hits the departmental budgets is the premium base that we have. But your employee base changes over time. If you take out an officer that's got a family and you bring in one that's single, those premiums change over time. So again, as we go through by the time we get around to the Mayor's we just have better actual numbers. You smooth out some of the ups and down in the process.

Alderman DeVries stated I'd like to see a breakout of all of the department and the actual rates that they are going to be assuming in their budget. And you said that last year was the first year that you...?

Mr. Sherman asked the actual changes within each department?

Alderman DeVries replied the projected changes. And I'd like to see that back as long as you've been... Last year was the first year, if not go back 5 years.

Mr. Sherman replied okay, and is that of just health insurance?

Alderman DeVries answered yes.

Alderman Shea stated each year usually one of the Aldermen asks, have you a full compliment, or do you have any vacancies? Do you have any vacancies in the Police Department and if so, how long have you had them?

Chief Jaskolka answered currently we have 7 vacancies. Three of them as recent as the last couple of weeks due to retirements. We are in the testing and background phase on these new candidates that I'm aware of right now.

Alderman Shea asked so you have 5 vacancies?

Chief Jaskolka answered it will be five vacancies if we hire the 2 that we have and we just advertised this past Sunday for certified officers to put them through the process, which cuts down the actual hire date to time on the street to a couple of months as opposed to close to a year for an uncertified officer that we have to send to the Police Academy.

Alderman Shea asked during the course of the year, how much of a lack of staff did you have? Would you average like 4, 5, 6, 7, 3?

Chief Jaskolka answered this year we had 6 that were on active duty for the better part of 18 months. We have all but one back and we expect him back in June. With those 6 missing, at one point during the year we were actually at full compliment and then we had a couple leave not including the 6, so we were actually 6 down, but we would have been at compliment had the 6 been here.

Alderman Shea stated so that as a result of the vacancies, were you able to use some of that in order to buy the vehicles? Is that how you actually...?

Chief Jaskolka answered yes, that money essentially came from the officers that were on active duty.

Alderman Shea asked will you be returning any money back to the City? Do you anticipate having any money that you will be returning?

Chief Jaskolka answered yes we do.

Alderman Shea asked and how much do you have? Is it like \$50,000 or \$100,000?

Chief Jaskolka answered approximately \$200,000.

Alderman Osborne asked getting back to the non-moving violations. You've got it under metered. Can you separate those two? Between parking meters and non-parking violations?

Deputy Chief Simmons answered yes, we should be able to run a report of which would break down expired meters, no parking zones.

Alderman Osborne stated not that I want the expired metered part of it. I'm more interested in the other.

Deputy Chief Simmons replied we can do that.

Alderman Osborne asked would you say it is roughly 75/25 there? Saying 75 percent would be non-moving violations, the rest of it meters?

Deputy Chief Simmons replied I would guess that most of it is metered parking fines.

Alderman Osborne asked so it's not even 50/50?

Deputy Chief Simmons replied I'd say you're more along the lines of 75, but I don't even want to give you that number. But certainly the majority of it is expired meters versus no parking zones and handicapped, etc.

Alderman Roy stated a car fully equipped. What are we talking about? I know it goes to the State bid. What is the 2004 cost?

Chief Jaskolka stated I believe it's actually down to about \$23,000. Now it was up around \$25,000 and the cost of the car itself came down.

Alderman Roy asked and the deadline for ordering those?

Deputy Chief Simmons replied the 21st of May.

Alderman Roy asked and you just mentioned change and it's actually come down, do you an idea or even a ballpark any of you, the percent changes between 2002, 2003, 2004? What we've been saving by not buying them, where we'd be looking at in increases for next year?

Deputy Chief Simmons answered I wouldn't have that breakdown here. I can probably work the numbers for you if you'd like, Alderman.

Alderman Roy asked in your budget there was the change in radios to the CDMA, did that include the GPS locators that was discussed a month ago or so.

Deputy Chief Simmons answered no that's just for the transmission going from communications to the mobile data terminals that we have in the cruisers. ABL system is no longer an issue for us.

Alderman Roy asked no longer?

Deputy Chief Simmons stated we looked at it and decided against the system at this time.

Alderman Roy asked so the recommendation of the department leaders was that there was no longer something they'd like to see in the cruisers? Or is it just not fiscally feasible?

Chief Jaskolka replied essentially when we went out to bid on the companies, the company didn't meet the specs that were required.

Alderman Roy stated and you mentioned, just so I can confirm it, the 2004 surplus \$200,000?

Chief Jaskolka replied approximately \$200,000 yes.

Alderman Gatsas stated my colleagues must be waiting pensively over there wondering what road I'm going down on this budget. Chief, you said you bought how many vehicles recently?

Chief Jaskolka answered we have 9 on order and last year we had 5 vehicles and 1 patrol wagon.

Alderman Gatsas asked so you have 9 on order right now, that's what we just approved recently?

Chief Jaskolka answered that's correct.

Alderman Gatsas asked and those 9 they are on order, when do you expect them?

Chief Jaskolka answered mid June.

Alderman Gatsas asked if we go back to where Alderman DeVries was, that if we take a look at your number from \$127,000 to \$95,000 on repairs, you possibly couldn't save that money because you don't have the new vehicles in fleet and you're already at \$127,000 through the end of March for repairs and maintenance,

you may be able to save it. If you're saying to me that you can reduce expenditures by \$33,000 or roughly \$4,000 a vehicle for the new ones that are coming in, and the 9 and you have how many more that are obsolete in the fleet or that you could replace? Let's not call them obsolete.

Chief Jaskolka answered 22.

Alderman Gatsas stated so I don't want to use the analysis because we're going to be in a deficit, you're going to be giving me money back if we replaced all 22 vehicles, so let's assume with that \$200,000 that you're supposed to give back to the City if this Board decided to appropriate you to order those vehicles by May 21st, can you get back to me on what that cost savings would be for the maintenance repair side?

Chief Jaskolka answered definitely, yes.

Alderman Gatsas stated and if we can go to your salary line. It looks like there's a 4 percent salary increase in there.

Chief Jaskolka answered for regular salary I'm showing 2.38 percent increase.

Alderman Gatsas stated I'm going from the modified budget of \$13,423,529...I hope we're working on the same sheets again this year. Are we working on different sheets? \$13,423,529 is what I'm looking for a modified budget for 2004.

Deputy Chief Simmons stated that modified figure \$13,423,529, that also includes the transfer of \$204,000. That was modified. I believe we based our percentage on the modified budget prior to the \$204,000 being removed from there.

Alderman Gatsas stated let's just stay with the modified number because you're going to really get me confused. If we use the \$13,423,529, the increase is roughly 4 percent to go to \$13,951,000.

Deputy Chief Simmons replied yes, it would be higher than our estimate that we gave you with the 2.38 percent increase. Correct.

Alderman Gatsas stated would it be even higher than that if you've pulled another additional \$200,000 for those vehicles out of that line. Your increase would it be in excess of somewhere around almost 6.5 or 7 percent.

Deputy Chief Simmons replied without going over the figures I'd say you're right along that line.

Alderman Gatsas asked is the additional \$200,000 that you're assuming to give back to the City in that line item? The wage line item? It is. Randy, can you also if you would for me on a 5-year amortization what that \$200,000 would pay for if we use it somewhat as a garvey situation, a revenue.

Mr. Sherman replied about \$900,000.

Alderman Gatsas asked back to the SROs. I've heard some discussion from both the School District, this department. The SROs that are there, is there any interchange with the Department of Youth Services? Is there any discussion, because I would assume that both the SROs and the Office of Youth Services are kind of on the same level with kids in this City. Do you know if there is ever any meetings that are set up between those two for exchange of ideas, problems, kids that are having a problem?

Chief Jaskolka replied I know the kids in the schools that are having minor problems are referred over to the Office of Youth Services for counseling and so forth.

Alderman Gatsas stated but unless the student is having a problem, there's no really interchange between the two? There's no dialog that maybe sets up preventative programs?

Deputy Chief Simmons answered the School Resource Officers actually work out of the Juvenile Division and they work directly with the Office of Youth Services on a regular basis. Many of the people the SROs refer to Office of Youth Services are people that obviously we've had contact with. But often times we'll make referrals to the Office of Youth Services on somebody that just calls and says they're having problems with their children or something along those lines. They actually haven't had contact with us, but we'll refer them to the Office of Youth Services and on a regular basis the juvenile officers do work with the Office of Youth Services personnel and do exchange ideas and different ways of taking care of issues.

Alderman Gatsas stated the reason why I bring up the question is because Alderman Lopez asked you get back to him with a 2 percent in revenues and I guess I want to address one of them because there are 2 large numbers in there. One is your expired meters, which is probably almost 50 percent of it, this Board not so long ago changed the times for meters downtown. Alderman Lopez didn't ask you what that may cost you in the revenue on that side because I'm sure that if you probably could give us that number quite readily. That probably looks like the \$2 million that you're talking for your revenues probably are going to be decreased by a substantial amount because of the changes we've made as a Board

on the metered time downtown. So if you could also include not only where would you find the additional 2 percent, but what happens to the reduction in the metered time that you have downtown. And the reason why I was bringing up the SROs is because there's about a 30 percent increase in the charge backs to the School District for the SROs. I assume that's what it is when it says the charge backs. It must be the 7 SROs and the 2 DARE programs and that goes up \$150,000 a year.

Deputy Chief Simmons noted that also includes the school crossing guards as well and the increase is higher. Some of those SROs, 4 of those SROs, were actually previously grant funded in which we only charged back the school 25 percent, which was our max for the grant. Those officers are no longer grant funded, so the entire charge back goes to the school now for those officers.

Alderman Gatsas asked how many more of those SROs are grants or are the grants are done? Those are 3-year grants?

Chief Jaskolka answered the grants are all done now.

Alderman Gatsas asked so that additional funding is replacing 4 of them at 25 percent?

Deputy Chief Simmons answered the 25 percent was the match that we had to make on the grant. They were funded 75 percent by grant, 25 percent was match which we charged back to the schools.

Alderman Gatsas stated so it's the other way, that's why the increase is there. Alderman Shea anticipated a question I was going to ask, but let's talk about...because you obviously don't hire part time officers to fill those positions? In other words, your compliment is down by 7? You don't get outside officers to fill those?

Chief Jaskolka answered no we don't.

Alderman Gatsas asked and that compliment is going to be at full compliment?

Chief Jaskolka answered we will have the 6th one back in June. Right now we are 7 positions short. Again, 3 of those within the last couple of weeks through retirements.

Alderman Gatsas stated right, but that 7 is averaged about throughout the course of the full year. And I'm not talking about the active because active would bring you somewhere around 13.

Chief Jaskolka stated I think 5 is the average for the year.

Alderman Gatsas asked can you give me an idea of what you have in your budget for those 5?

Chief Jaskolka answered it's approximately \$50,000 per officer.

Alderman Gatsas asked would you agree that...I don't know if I'm going to ask you this question right, you may not want to answer it but that's all right, but I'm going to ask it anyway and maybe I'll defer you from answering. Wouldn't you agree that almost every department in this City has vacancies throughout the course of the year?

Chief Jaskolka answered I would believe they would, yes.

Alderman Gatsas stated every department that we have. Even departments that aren't departments of the City. Like the School District.

Chief Jaskolka replied I have to guess they would.

Alderman Lopez stated if you go to revenue, the small item under film processing. I notice that in 2003 you spent \$9,613, actual expenses for 2004 is \$3,598 but you have a \$13,000 budget. Is that because you're using digital cameras?

Chief Jaskolka answered yes it is. We do digital as our main and 35mm as a backup, but we don't have the pictures printed, we just have them processed.

Alderman Lopez stated at the rate you're going you could have approximately \$8,000 in that one line item then.

Chief Jaskolka stated that would be correct, yes.

Chairman O'Neil asked how many vehicles are in the fleet?

Chief Jaskolka stated I believe we have 53 vehicles.

Chairman O'Neil asked how many would be considered marked vehicles?

Chief Jaskolka answered there's actually 20 route cars and I don't have a number of spares off the top of my head.

Chairman O'Neil asked the balance would be support or detectives, that type of stuff?

Chief Jaskolka answered correct.

Chairman O'Neil stated even at 6 and 9 we're really still behind.

Chief Jaskolka stated yes.

Chairman O'Neil stated I know a program you started several years ago that to the best of my knowledge has been very successful as a reserve officer program.

Chief Jaskolka answered that's correct.

Chairman O'Neil asked how many reserve officers are you allowed to have currently.

Chief Jaskolka replied we are currently budgeted for 6 reserve officers.

Chairman O'Neil asked and what type of functions do they perform?

Chief Jaskolka replied essentially they are required to work 8 hours a month of the department itself. That includes service of paperwork, subpoenas, juvenile petitions, occasionally a domestic violence petition, and then they are also required to attend the mandatory training mandated by the State that all officers have to be certified in. They have to be certified Police officers and they are all retired Police officers.

Chairman O'Neil asked this is all either civil or criminal paperwork that the regular route officers try to get to but more times than not, they're not able to serve those papers?

Chief Jaskolka answered correct. The prime time to serve paperwork of course is the 4:00PM to 12:00AM shift and essentially the men and women on that shift just have call to call to call all night long. So they very seldom have the occasion to stop and serve the paperwork.

Chairman O'Neil asked any idea what the cost is per officer?

Chief Jaskolka answered what they are paid by the City is \$17.93 per hour and that's 8 hours a month.

Chairman O'Neil stated \$2,000 and officer?

Chief Jaskolka answered approximately \$1,700 and change, I believe.

Chairman O'Neil asked so it's a pretty cheap investment for the City?

Chief Jaskolka replied it is, of course they are certified Police officers. In need we can use them for different events when we don't have the regular compliment available.

Chairman O'Neil asked is that something that you'd like to see expanded?

Chief Jaskolka answered I'd like to see maybe that close to being doubled, having 12 reserve officers. That would solve a lot of the paperwork problems. They can be assigned to inside duties when needed. So that would definitely be an asset to the department.

Chairman O'Neil stated without this recent murder investigation, I know it takes up considerable amount of man hours, any idea what that cost is just for that one investigation?

Chief Jaskolka answered an average homicide will run somewhere in the vicinity of \$25,000 to \$30,000 in overtime.

Chairman O'Neil asked and how many people will generally be involved in that? How many Police officers?

Chief Jaskolka answered usually in the first 72 hours everybody that's available is working anywhere from a 16 to 18 to 20 hour shift.

Chairman O'Neil stated over the course of I know that investigation is now several weeks old, how many today ballpark, how many officers are still working it?

Chief Jaskolka replied normally there will be a supervisor and a minimum of 2 detectives assigned to the follow up.

Chairman O'Neil asked so after you come off that peak, there's still on average about 3 Police officers working that case.

Chief Jaskolka answered correct.

Chairman O'Neil asked Chief, would it be safe to say that any significant reduction off the Mayor's budget will mean somehow, someway, whether it's uniformed, detectives, some type of services, we'll see a reduction in some service from the Police Department?

Chief Jaskolka replied the service aspect of the department would be the area that would be hit. The public safety, the men and women out there in the cruisers humping the calls essentially are going to be there. It's when we start taking away from detectives, when we start taking away from juvenile, and we start taking away from crime prevention. We pull those people back out to fill the cruisers is where the divisions the services that the...I guess the best way to explain it is public safety is what people expect, public service is what people want. When we go to our neighborhood meetings, when I first started my administration, the biggest request was where is our community Police officers. We were down to 2. I've put 5 back in there to bring that back up to compliment so that the community Police officers are actually back out there. Cuts in that budget would remove them from the streets dealing with the community problems.

Chairman O'Neil asked and community Police officers are all over the City?

Chief Jaskolka replied essentially all over the City. They work a certain area and their job is to go out, meet with people, talk to the people and resolve the problems in the neighborhood. Once a community Police officer gets established in a neighborhood, the people are going to call or page him on his cell phone or on his pager as opposed to calling the station when they need something done in their neighborhood.

Chairman O'Neil stated and just from my understanding it's not limited to the central area of the City, it's south Manchester, west Manchester.

Chief Jaskolka stated it moves out on the outskirts not in the farther neighborhoods but it does move out of the center of the City.

Alderman Gatsas stated back to your questions about reserve officers. What was the number of reserves that you have that Alderman O'Neil was talking about with the \$1,700 cost?

Chief Jaskolka answered currently we're budgeted for 6 positions.

Alderman Gatsas asked and how many total employees do you have?

Chief Jaskolka answered sworn officers 205.

Alderman Gatsas asked and those officers are used, they were used probably when the reserves left to get you to a compliment if you needed them? Kind of like a substitute officer.

Chief Jaskolka stated they're not substitute. They are not used in the cruisers, they're not put out on patrol. That's not what the program is for.

Alderman Gatsas stated if you don't have a full compliment and you need somebody to direct traffic.

Chief Jaskolka replied if we need somebody to direct traffic if we have a fire scene or something like that and we don't have an officer available, then we can use the reserves.

Alderman Gatsas asked what is the hourly rate that you pay a reserve officer?

Chief Jaskolka answered \$17.93 an hour.

Alderman Gatsas asked if a regular officer...roughly the \$18.00, what does that equate to if you had to have a regular officer in that place?

Chief Jaskolka asked overtime or straight time?

Alderman Gatsas stated let's just use straight time.

Chief Jaskolka answered somewhere approximately \$22.00 an hour.

Alderman Gatsas stated if I go down to your FICA number, it looks like you have shown a decrease in FICA of almost \$15,000, however, you're showing a increase in wages and maybe that's not a question for you to answer but for the Finance Department behind me to answer.

Mr. Sherman stated that would have been one of the numbers generated when Human Resources ran the payroll calculations.

Alderman Gatsas stated I'm just going by some simple math that I know and then if you're increasing wages, you're increasing FICA, why would the FICA be going down?

Mr. Sherman replied I would have to go back and look at Human Resource's report and figure that out.

Alderman Gatsas stated you've got to check on those numbers. That's to your disadvantage.

Alderman Lopez stated I wish the Human Resources director was here because we were at a Retirement Board meeting and these officers came up in a discussion. The way I understand it is these officers, and I know 2 or 3 of them that want to work with the Police Department that are retired now, as a matter of fact they're working at the VA Hospital. They'd like to work for you. The ceiling of 6 officers; who put that ceiling on there? You sir?

Chief Jaskolka answered no, that was prior to my administrative. That would have been Chief Mark Driscoll.

Alderman Lopez asked do you anticipate increasing that number?

Chief Jaskolka answered as I mentioned to Alderman O'Neil, I would love to increase that number to have the reserve officers available as needed.

Alderman Lopez asked do you have the authority to do that or do you have to go through the Mayor?

Chief Jaskolka answered they are part of our budget, the reserve. These six positions are in our budget.

Alderman Lopez stated and I understand too, and we have to get a clarification from the Human Resources director, they are supposed to be paid at the lowest salary. \$18.00 is the lowest?

Chief Jaskolka answered yes, that is Step 1.

Alderman Lopez asked and there is no other money taken out for retirement or anything else? Is that correct?

Chief Jaskolka answered just FICA.

Alderman Gatsas moved to recommend to the full Board that the Police Department be authorized to purchase 10 vehicles at a cost up to \$230,000 and that the Mayor be requested to authorize a transfer of funds to cover that cost from the FY 2004 budget. Alderman Roy duly seconded the motion.

Chairman O'Neil stated let's get some clarification. Randy, what would be, not the legal, but just that line item versus moving it into proper line items.

Mr. Sherman answered actually what you'd have to do...the Mayor would have to authorize a transfer. So I think what you would want to do is ask the Chief to submit a transfer request to the Mayor's office and if the Board wants to send a vote of approval so the Mayor knows that when it comes back in front of the Board it is going to be approve. But it actually would have to go through the Mayor's office.

Chairman O'Neil stated an approximate savings ballpark would get you about 9 or 10 more cruisers?

Chief Jaskolka answered ballpark, about 9.

Chairman O'Neil stated it's \$200,000 and I think Deputy Simmons said they were about \$22,000 or \$23,000.

Alderman Shea asked wouldn't they give you a little bit of a discount if you're ordering 9 and then you're going to order another...?

Chief Jaskolka answered it's a State bid Alderman, so whatever the State bid comes in at that's what we get the cars for, whether we order 1 or 100, I guess. It's going to be the same bid.

Alderman Shea asked so it is possible that you could get 10 rather than 9 for that \$200,000. You're getting 9 with \$175,000?

Chief Jaskolka answered 9 with \$204,000.

Chairman O'Neil asked Carol, want to help us here. There was a motion made and seconded, but I'm not sure it was made and seconded with the proper language. The recommendation would be to ask the Mayor to consider it?

Mr. Sherman replied actually have the Mayor consider an additional request from the Chief.

Chairman O'Neil asked and then that would eventually work its way back to the Board?

Mr. Sherman replied the Mayor signs the transfer request and all he is required to at that point then is to notify the Board.

Deputy City Clerk Johnson stated Mr. Chairman, the committee though could actually recommend to the full Board that the Mayor be requested to approve a transfer request and then that shows that the Board is supporting the request.

Chairman O'Neil asked Alderman Gatsas is that your motion and Alderman Roy is that your second?

Alderman Gatsas stated my motion is that we do it here at this Finance Committee and I think that that would be the appropriate move to move it to the full Board and if this Finance Committee moves it out, I think the Chief can find another \$30,000 in that budget get his 10th vehicle.

Chairman O'Neil stated I think Randy advised that we really don't have the power, it's the Mayor that has power. All we can do is ask the Mayor to consider it.

Mr. Sherman replied right.

Alderman Gatsas stated what we can do is move it to the full Board as a recommendation from the Finance Committee for the Mayor.

Alderman Roy asked Randy, as we head into the end of this year, surplus is coming back from departments, what are we looking at, what are the indications, and how would this impact?

Mr. Sherman answered typically we get about 1 percent back from the departments. Now it's not consistent from department to department and year to year, but your departmental budgets this year I believe are somewhere around \$88 million or so, so we're looking at \$800,000 - \$900,000 - \$1 million, somewhere in there is typically what we would expect to get back.

Alderman Roy asked what of that have we already used?

Mr. Sherman answered I think we let the Highway Department use roughly \$45,000, Police have used \$208,000 or \$209,000, something like that, \$204,000 and Parks used I believe roughly \$60,000. They have used maybe \$300,000 of that. Plus you're now telling Police they can use another \$200,000 and change.

Alderman Roy asked Chief, when I was questioning you you mentioned that a Police car cost \$23,000, have actually gone down. Are there any indications with the State bid what next year is going to look like? Is that a trend or is it just who happens to be low?

Chief Jaskolka answered it's a bid so I guess it's who happens to come in with the lowest bid next year.

Alderman Roy stated we're so close to the deadline there is no indication. When is the new price established?

Chief Jaskolka answered to the best of our knowledge it would be in October.

Alderman Roy asked so if we wanted to get 10 more cars on the streets, this would be our best approach?

Chief Jaskolka answered yes, at this time.

Alderman Roy stated and I've had discussions with a few of your staff regarding the difference between cars and actual chief's cars or deputy chief cars. I notice the Sheriff's department has started using Impalas, a smaller and possibly less cost effective or more cost-effective car. Do you have any comment as to what the best for the department would be?

Chief Jaskolka answered for the 24/7 cruisers you want the full size Crown Victoria LTD's. For administrative cars, for detective's cars I think the Impalas would be just fine.

Alderman Roy asked do you happen to know a cost on those?

Chief Jaskolka answered they were about \$20,000, but that bids already done for the year.

Alderman Roy asked if you were given the \$200,000 at our next meeting, do you feel that you could get it in by the 21st and would they be patrol cars? I was given a deadline of May 21st.

Chief Jaskolka answered I'm sure we could make phone call the next day. The great majority of them would be patrol cars. There are a couple of detective's cars that really need to go. One such car is the one the Mayor borrows once in a while, but some of those cars are old. They're much, much older than the fleet cars. The detective cars we tend to keep 5 or 6 years and they are beat up.

Alderman Roy asked over the vehicles that you would be retiring if we can go ahead and get this done, is there anything that could be given out to some of the pool vehicles? You're not the only one with bad fleet problems. Is there is anything that you would recommend that is at least inspectable to be passed along, or could you look at that at least?

Chief Jaskolka answered getting into those kind of numbers, I'm sure we'll have some cars that are in the high 80s or 90s. Our cars are very well maintained, just the ones that are hitting 100,000 they are just old, they're tired, you can only duct tape them so many times. But there are some cars that when we start getting into 20 or so cars that we can probably turn over to other departments.

Alderman Lopez stated I was just looking at Section 605 of the City Charter under C and the only thing that needs to happen is the Finance Officer has got to verify that the \$200,000 is there in that department and then the Mayor can transfer it.

Alderman Shea asked if in fact you were to receive the additional vehicles, would that cut down on the repairs that you would be requesting?

Chief Jaskolka answered I believe it would. I would really need to talk to the garage supervisor to find out exactly, even on a new car, what maintenance is and then rework that number to get the exact figures.

Chairman O'Neil stated just a clarification for me on that repair figure. In FY2004 the budget was \$95,000, you've spent \$126,000 to date, and expect to spend \$156,000 by the end of the year. Is that correct?

Chief Jaskolka answered that's the projection, yes.

Chairman O'Neil asked and was that \$95,000 a base number of 2003 as well?

Chief Jaskolka answered \$95,000 has been the base number.

Chairman O'Neil asked and you ended up spending \$151,000?

Chief Jaskolka answered correct.

Chairman O'Neil stated just for clarification on the motion, the actual surplus may not be \$230,000 it may be closer to \$200,000. Is that correct? So purchase whatever you can with what the surplus number is. Correct?

Chairman O'Neil called for a vote on the motion. Alderman Gatsas requested a roll call vote.

Alderman Lopez asked clarification. Understanding that the Finance Officer verify that number.

The Clerk called the roll. Aldermen Gatsas, Guinta, Sysyn, Osborne, Porter, O'Neil, Lopez, Shea, DeVries, Garrity, Thibault, and Roy voted yea. Aldermen Smith and Forest were absent. There being none opposed, the motion carried.

b) Fire

Joseph Kane, Fire Chief, stated I'd like to at this time thank the Aldermen for the opportunity to come down and present the budget and I would like to get everyone on the same page. Please go to Tab 16 in their budget books so we could be working off the same page. On Page 3 and Page 4 what you'll see is the department budget, the actuals, the expenditures, modified budget for 2004, and also the Mayor's recommended 2005 budget. What basically the Fire Department here is looking at is we're looking at a maintenance budget, a budget that doesn't increase in staff and doesn't increase in programs in any way. We're looking just to maintain the response to the City that we currently have. We certainly recognize that the department increased its response last year with the addition of Station 8. This also reflects that, and that would be reflected in the salaries and the salary lines along with the merit increases in the salary lines. If you look down beyond the salary lines into the total called the normal lines or operational lines from the department, you'll notice that there's basically been no increase in any one of those lines and that they are the same figures that they were last year, with basically no increase. So any increase that we see in the budget comes in those salary lines or those salary items. The bottom line increase of the whole budget is just a little over 2 percent in regards to the budget and that's something that we worked, and I should say when I say we, I should say staff has worked very hard with the Mayor's team to create this maintenance budget. With me tonight I have Business Service Officer Brent Lemire, who is worked very hard on this along with Assistant Chief Monnelly, along with other members of staff and along with the Mayor's office to bring this budget to you. One of the other areas I wanted to point out and if we go to the last page and this would be a change that we would be reflecting. When we did this original budget back in December, we basically looking at a maintenance budget didn't increase the revenues. We are looking at the revenue page now. Didn't increase the revenues. We've taken a second look at the revenues and were able to increase some lines and also we have a new program that's come on line that is called a listed agent program. There was a new ordinance that was passed by the Aldermen a couple of months ago. We're reflecting increase in revenues with that new program. I believe that we have calculated the costs of the revenues as an increase of 9 percent. At this time I would be happy for any questions.

Chairman O'Neil stated I don't know who generated this particular revenue sheet, whether it was you, Finance, or the Mayor's office, would it be possible, I'll look to Randy maybe, to reproduce that with the updated figures or at least note the updated figures. You said Chief that it's beyond just that one item of listed agent, there are other increases in revenues?

Chief Kane stated we're looking to increase revenues in the area of fire alarm user, inspection, Central Station annual fee, and place of assembly counts. All of those indicate a greater activity within the City than we anticipated last fall.

Chairman O'Neil asked what was the third one you mentioned?

Chief Kane answered Central Station annual fee, place of assembly counts, and the other one I had mentioned earlier was a listed agent registration.

Chairman O'Neil asked do you have those numbers in front of you? Maybe we can just write them into our book or is that something that might be easier for you to provide?

Chief Kane stated I have a copy of all of the numbers here that you could probably take with you.

Chairman O'Neil stated or the Clerk can take it and send copies to us tomorrow. What does that bottom line change to then? We have \$324,400. What has it changed to?

Chief Kane answered \$347,250.

Chairman O'Neil asked so approximately a \$23,000 increase.

Chief Kane answered that's correct.

Alderman Garrity stated Chief, I'm looking at line item 0130, your overtime salary line item. FY 2004 is \$600,000 and the Mayor has recommended \$900,000. Can I get a justification on that?

Chief Kane replied last year we were basically under funded in that area. We had a long conversation with the Mayor. That was a line item that we were looking at closely last year and trying to grasp what would be a good number for there and we felt that \$600,000 was not really a good number for that. If you look at the actual expense the year before, we're over \$1 million and this year our actual expense year to date is \$753,000, so we feel that the \$900,000 is a more realistic figure.

Alderman Garrity asked do you have any recommendations as to how to reduce that number?

Chief Kane answered actually we had an audit report that came in that was done by the Finance Department in regards to the overtime and they produced the report. I believe it was distributed to all the Board members and they did have I think 3 recommendations that we're following up on. The 3 recommendations were looking at hiring a couple of extra people and using them as floaters. The second recommendation was a wellness program to reduce injury. The last recommendation was that they thought that we should look to get an outside study done on our overtime because they have taken it as far as they can.

Alderman Garrity asked if you were to hire 3 more firefighters, what kind of an affect that would have on your overtime budget?

Chief Kane answered if you do a cost ratio from firefighter to overtime, the cost is pretty narrow, so the bottom line budget is not going to be affected in a great deal. If you take that money from overtime and put it in salaries, it probably would end up being a wash.

Alderman Garrity stated I don't understand how that happens. With overtime we pay time and a half?

Chief Kane answered that's correct.

Alderman Garrity stated I just don't understand how that happens, when we can hire 3 level entry firefighters, I understand you can't have 3 new firefighters in one house, but 3 floaters and pay them a rate of...what is the salary for a firefighter?

Chief Kane answered about \$52,000.

Alderman Garrity stated so if you're paying time and a half to a firefighter that's been there 10 – 15 years, it's got to be more than that.

Chief Kane answered \$52,000 with benefits.

Alderman Garrity stated I just don't understand it.

Chief Kane stated I certainly understand exactly what you're saying and Alderman Gatsas has brought this up and Alderman Guinta has brought this up before. I understand what you're saying and it make sense to me that if you hire an entry-level firefighter that it would be a lot cheaper than a time and a half for a senior firefighter. But we had an internal auditor came in and did an audit study. When we looks at the figures he just doesn't look at the 2 figures straight up, he takes into account a lot of additional items, how much the benefits costs, how much training costs, how much equipment costs, because you've got to buy additional

turn out gear. He basically turned every single rock and looked under it and grabbed a couple of dollars and that's why the cost figure came out so close.

Alderman Garrity asked and \$52,000 as a start salary for a firefighter that must include benefits and things like that.

Chairman O'Neil asked what is the salary number?

Chief Kane answered about \$33,000. Alderman Garrity I'll pass that report on to you.

Chairman O'Neil stated we may have seen that but it may have been buried in an Accounts agenda or something so maybe if we could dig that up and get it out to everyone again. Am I correct that Accounts had it one night? But I think it was in a packet with quite a few other items, so we'll get a hold of that.

Chief Kane answered yes.

Alderman Roy stated Alderman Garrity touched upon many of my questions regarding the overtime and I would like to see some type of wellness program worked on and possibly get that number down. So I'll lead in with the second part; surplus. What type of surplus will you have at the end of this year?

Chief Kane answered at this point in time I really don't have that figure. We're working with Finance on that figure because we like to clarify that and get a sharp figure, so I really don't have that figure. I can get that to you probably by the end of the week. I know that Randy is working with Brent on that and we've been working on that the last few days but typically there is a surplus figure. In some years it has been substantial, but I would only give you a guesstimate at this time.

Alderman Roy asked so there are no preliminary numbers? Randy do you have more of a comfort level giving more than a guesstimate?

Mr. Sherman replied we've been looking at this at Fire since December. It's real tough when you're trying to deal with the retirements; you've got holiday pay, and other types of issues. But obviously as we get closer to the end of the year the numbers tend to get a little brighter. So we can get back to you by the end of the week with something that maybe we'll both feel comfortable with.

Alderman Roy stated I'll look to get that and I'd suggest all members of the Board to get that.

Alderman DeVries stated Chief, I'd like to take you back to the overtime audit that was done internally by Kevin Buckley. I believe at the last meeting that presentation and the Fire Department wasn't there that evening so Kevin Buckley was a little bit on his own trying to make the presentation to us. I believe it was the Committee on Accounts, but there was a request from the committee because I did come in to oversee that and Alderman Guinta as well was requesting the breakdown by job classification because that particular overtime report had the job classifications commingled. In other word, firefighters were commingled in the same report with Lieutenants and Captains. So we were looking for the overtime breakdown by job classification, so that the firefighters would stand alone to represent the overtime use. And I have not seen a report come back through from Kevin Buckley, so I would assume that he is still working on that. He probably had to move on to another audit, so it's been delayed. I just did not feel that that particular audit took it far enough to satisfy me that there wasn't the need to bring on the additional firefighters, as you were saying. Because it is close. It's very close and if we can save money and have additional personnel, why wouldn't we. Especially if it's going to save money on the bottom line.

Chief Kane responded I'm in your boat. I really don't have...if I can save money here and have more firefighters, it's logical for me to do that.

Alderman DeVries stated realizing also that injuries tend to go down when you have the increased compliment.

Chief Kane replied right and I also do have some of that report that you're looking for here. If I can get that to you or have you come in so we could do a one on one, I could hand it to you and then you could ask me questions, that would be good.

Alderman DeVries stated I believe that it should be sent to the full Board. We don't like to have things sent to one Alderman. We all want to be on the same page.

Chief Kane stated I want to make sure that you get the information and it's clarified for you.

Alderman DeVries stated if you could send that out, then maybe could set up a time for the clarification if necessary.

Chief Kane replied sure.

Alderman Shea asked how many people are in your department?

Chief Kane answered 259.

Alderman Shea asked do you have any vacancies?

Chief Kane answered currently we have 1 firefighter in REC, we have 2 additional vacancies. There was a job offer on one of those vacancies last week and tomorrow I have final interviews on the other one.

Chairman O'Neil asked those are firefighter positions or other positions?

Chief Kane answered those are firefighter positions.

Alderman Shea asked during the course of the year did you have any vacancies over the course of the year?

Chief Kane answered I do have vacancies over the course of the year. It's like these vacancies are vacancies that have occurred since the first of the year. The couple of months I've had 2 people. That number kind of goes up and down, but I try to during the summertime and during the high periods of time, make sure that I've got all full compliment because for every single vacancy that I have, I have to hire overtime and costs additional money. So if I'm saving over here because of a vacancy, I'm spending over there and its neither costing me more money, it costs the same.

Alderman Shea asked when you return money to the City, where does it come from? Salary account, benefits accounts, a combination of all?

Chief Kane answered most of it comes from benefits. Pretty much the salary accounts and overtime accounts are eaten up. The biggest return from...

Alderman Shea asked do you know when somebody is going to retire? Do they have to give you a date or does the district has to have a time? Do you need that? For instance when you're making out your budget for 2005, do you know fairly certain who is going to be leaving you or is it kind of...?

Chief Kane answered I really have no idea who is going to be leaving or when they're going to be leaving. Occasionally someone will tell me that they may be leaving in a couple of months but they could change their mind. There is no law that...

Alderman Shea asked there's no clause in your contract that tells you that you have to have a...

Chief Kane answered no. They could walk in my office, and this has occurred clear out of the blue saying I'm not going to be here tomorrow. And that has occurred.

Alderman Shea asked often or just once in a while?

Chief Kane answered no. Typically we get about a one month notice because of the retirement they need to notify a month ahead, so we get about a months notice. But I've had people walk in and say I'm done the next day.

Alderman Shea asked during the course of a normal year you have a compliment of how many people?

Chief Kane answered 259.

Alderman Shea asked and what percentage do you average as far as retirement? Ten percent?

Chief Kane answered no. I would say about 5 percent.

Alderman Shea stated so you pretty much can gauge, not so much who will be retiring, whether it's a district chief or an assistant chief, captain, lieutenant.

Chief Kane stated obviously you've got more firefighters out there so the majority of them are firefighters. We have about 8 to 10 people a year that leave.

Alderman Shea asked so they retire normally between 20 and 30 years or between 30 and...?

Chief Kane answered I would say right now the average is between 25 to 30, about 27 years with the service.

Alderman Gatsas asked the overtime line, is that special duty overtime or is that other overtime?

Chief Kane answered help me with special duty overtime. Basically most of that overtime is for positions on apparatus. For instance, if someone calls in sick to replace that person the apparatus that's what the majority of that is. There is some other items in there. If we have a fire truck break down and the mechanic needs to be called back in the middle of the night, that's in there. Fire alarm has the same type of thing that if the fire alarm system goes down, we need to call them back. Arson investigators; there is also some overtime that's located in there for training. If a teacher might be training, there might be some overtime for that person.

Alderman Gatsas asked I'm glad to see you're in somebody's boat about hiring extra employees because I couldn't get you into my boat for 5 years, but it's okay as long as you're in that boat now.

Chief Kane answered yes.

Alderman Gatsas stated overtime I was talking about or the special duty. The civic center compliments are not part of this overtime?

Chief Kane answered no. That's special overtime. That is paid for by the event. So if a concert comes in, the concert pays for the firefighters down there and that is not really part of this at all.

Alderman Gatsas stated let's go the next step. The amount of waives that they receive for the event, does that include workers comp, does that include FICA, does that include retirement?

Chief Kane answered FICA isn't included. Workers comp I don't believe it does, but it does include retirement.

Alderman Gatsas asked I assume that number for some reason doesn't show up in your budget?

Chief Kane answered that's correct.

Alderman Gatsas asked is there a particular reason why it doesn't?

Chief Kane answered it's basically paid for by the vendor. It's a wash. The money comes into an account; it's paid for out of that account.

Alderman Gatsas stated I guess my question is, if it doesn't include workers comp and if it doesn't include FICA, where do those funds come from? I know the workers comp we're self insured, but the FICA has to go to the government.

Chief Kane answered we don't pay FICA. Firefighters don't pay FICA. And also there's an administrative fee that tacked on that the City gets.

Alderman Gatsas stated take a look at your line 0230 in your budget. I guess I you don't pay it, you don't have a problem with me withdrawing \$184,000 out of your budget then.

Chief Kane answered that's for staff people, that's not for firefighters.

Alderman Gatsas asked that's all staff? Is that right Randy, we have to pay the Medicaid side? Do you know?

Mr. Sherman answered I'm not sure if the firefighters pay the Medicaid portion or not.

Chairman O'Neil asked would it be safe to say that that's for the civilians of the Fire Department?

Chief Kane answered I think that Randy just got it correct. The firefighters do pay a portion of FICA for Medicaid.

Alderman Gatsas stated which is 1.65 percent? If I take your gross wage of \$13,602,614 times 1.65 percent, I come out to \$224,000.

Chief Kane answered not everyone pays that. I'm not really sure what the breakdown is and that's not really something that we manage to a day to day basis. Usually that's managed by Human Resources and Finance.

Alderman Gatsas stated in channel surfing I've come to watch the School Department in their Finance Committee. I know that on a monthly basis when they're talking about expenditure funds they talk about false alarm fees and the false alarm fee for 2004 is \$5,000 and the false alarm fee that I hear from the School District sometimes is almost \$3,000 or \$4,000 in the course of a month by itself.

Chief Kane replied I can't really comment on the School Board in what they say but I can tell you what the School Board paid in 2003 for false alarms. It was \$1,250. I'm not sure what they're...

Alderman Gatsas asked how much did you charge them.

Chief Kane answered \$1,250.

Alderman Gatsas asked so they paid what you charged them and there wasn't...?

Chief Kane asked there wasn't any discussion.

Alderman Gatsas asked yes.

Chief Kane stated I won't say that there wasn't a discussion in regards to it, but they typically pay what they've been charged. We charge the School Department for different things that we do for them. \$14,935 in 2003.

Alderman Gatsas asked for? Not false alarms?

Chief Kane answered not false alarms. We charge them for master boxes. It's a school connection. Basically it's a service that we provide that schools use. Each of the high schools has a place of assembly permit, for instance, and that's \$100. They have telephone dialers, they have telephone dialers in their elevators, there are 17 of them, we charge for them. We basically look at them as a business and that's way we approach them.

Alderman Gatsas if we can go back to your overtime, I think Alderman DeVries asked you to give her an overtime report. I don't need the overtime report with employees names, but I would like you to give me an overtime report starting with the highest ranking officer to the lowest ranking officer and the amount of money that they received in overtime and how many hours of overtime that constitutes.

Chief Kane stated certainly we can give you the overtime report in regards to the highest ranking officer to the lowest ranking officer and how much they...I suppose we would tell you how much it is per hour that they get and we could tell you how much they get. So all I have to do is divide it out. We can do that.

Alderman Gatsas stated I don't know how much per hour they get, I want to know how many hours constituted that overtime.

Chief Kane replied right. In order to do that we'll have to make that calculation.

Alderman Gatsas stated and also if you could give me another report or give us another report that constitutes the extra duty by the highest to the lowest ranking officer. From the highest ranking officer to the lowest.

Chief Kane asked and by extra duty you're talking about the duties at Verizon?

Alderman Gatsas replied I'm talking about any extra duties that you have.

Chief Kane stated all of the extra duties, the Verizon and the others. Sure.

Alderman Guinta stated one of the reports that we did ask for in terms of a clarification from Kevin Buckley, are some of the numbers that Alderman Gatsas is asking for. We're trying to get a little deeper into breakdowns and into payments and then also contract negotiations would be affected or how contracts affect those numbers. So that's why I think there's interest there from some of the Aldermen.

Chairman O'Neil stated this came up in the previous discussion with the Police Department, your health insurance you're actually showing a 12 percent reduction. That's based on actuals? If I understood the explanation in the previous presentation.

Chief Kane replied right. Those types of numbers...

Chairman O'Neil interjected were not generated, were generated by Finance or Human Resources and the dental, again, based on actual is approximately 20 percent? Randy is that correct?

Mr. Sherman answered yes, actually the reason you've got such a large decrease is because the 2004 budget was too large. Trying to work in the new fire station, 16 firefighters, and calculate what those new hires are going to be using for health insurance, we usually go with the higher rates. So again, it all depends on your mix of firefighters. Again, looking at the actuals, we think the 2005 is more of what it should be.

Chairman O'Neil stated on that information with overtime, I heard Alderman DeVries ask for firefighters, lieutenants and captains, did that also include district chief's or not? So if we could get that that would be great. On the audit report one of the items you mentioned was the implementation of a wellness program, which I believe is in the Mayor's recommended CIP that we'll start discussion on tomorrow night and hopefully it will be funded and that will be a step to cutting down on the need for some overtime, hopefully. It may take a few years to see the results, but it's a step in the right direction.

Chief Kane replied that's correct.

Chairman O'Neil asked the modified budget for 2004 in overtime was \$600,000, and the Mayor is recommending \$300,000 more for this year, was there any period during the year that a piece was put out of service because of the lack of overtime?

Chief Kane answered no. The direction that I think I got from the Board last year and from the Mayor was not to do that and I think that we tried to stay consistent with that. There was pieces out of services here and there, but it was due to standard maintenance issues.

Chairman O'Neil asked and is it fair to say that the cost to have Station 8 open for an entire year is approximately \$1.2 [million]? For some reason \$100,000 a month sticks in my mind. Is that the general term?

Chief Kane answered that's basically what the number is that we're using.

Chairman O'Neil asked in this current year, how many months is Station 8 actually open or I know there was training involved. How many months of payroll or salaries was...it wasn't for the entire year. Eight or nine months maybe?

Chief Kane answered we're thinking 8 months.

Chairman O'Neil asked so it was approximately \$800,000?

Chief Kane answered right.

Chairman O'Neil stated so there's an additional \$400,000 in this budget just to pay Station 8 for an entire year.

Chief Kane answered that's correct.

Chairman O'Neil stated so when we look in the Mayor's recommended budget, I just want to make sure my numbers are correct, he has \$300,000 in additional overtime, if we have the \$400,000 in additional payroll for Station 8, \$700,000, that's actually more than what your increase actually is. So it is a very lean budget.

Chief Kane replied yes. Considering the steps that are also in there.

Chairman O'Neil stated so where the increase is \$549,000 you've got some challenges ahead of you.

Chief Kane stated yes. When we look at the budget, the overall budget is a little over 2 percent increase in the budget. It is a very challenging budget, Randy was very creative in putting it together with the Mayor's office and Brent, and it's lean. On the line items that we did increase, any line items, this is the third year in a row that we have not done that. So we're trying to use different things to get by. One of the things that I would like to point out in general and I was going to hold this one to the end but it was just popping into my mind, so I want to do it right now. One of the things in general that the Board needs to at least recognize and as we look at these budgets, these budgets were done in December, for the most part, January and February a little tweaking. But one of the things that is occurring in the market out here is the utility rates could blossom. I think we all kind of recognize gasoline and oil, where that's going, and if it continues to stay at that high level these figures here don't reflect that and this is not for the Fire Department, this citywide. Certainly the Police Department uses a lot more gas than we do and other departments use a lot more utilities than we do, so that's just something out there to think about. I'm not requesting an increase in those lines, I'm hoping that the utilities stay under control.

Chairman O'Neil stated my final comment would be that what I see is any reduction in your budget, the only way you're going to make it up is a reduction in service.

Chief Kane stated my budget is over 95 percent salaries and most of those people ride on the trucks.

Alderman Roy stated you mentioned that you have 259 total employees. How many are at the firefighter level?

Chief Kane answered 165.

Alderman Roy asked and civilian staff?

Chief Kane stated that doesn't include officers, that's just the firefighters. Civilian staff is 18.

Chairman O'Neil asked so what is your sworn compliment?

Chief Kane replied 241. In the 18, that's the mechanics, communications division, those are the guys that take care of the radios for the entire City, all of the radios, the staff that you would see in the officer, and the dispatchers.

Alderman Roy asked and looking at that number, remainder would be your staff and officers?

Chief Kane answered right.

Alderman Lopez stated just a clarification in reference to the grant. We're going to get into that in CIP. Is that correct? Okay.

Alderman Gatsas stated I'm looking at the retirement account and that retirement is up to \$1.8 million?

Chief Kane answered that's correct.

Alderman Gatsas stated that's including so the \$400,000 offset that you had to make for last years included in that, so you have an additional...because you weren't budgeted for \$400,000 in the beginning.

Chief Kane answered no, that's not correct.

Chairman O'Neil stated that was on the City retirement.

Chief Kane asked you're talking about City retirement? The Fire and Police have a different retirement system.

Alderman Gatsas stated I'm looking at the Fire State Retirement.

Chief Kane stated that's correct.

Alderman Gatsas stated in 2003 you were at \$764,000. So you're up about \$1 million on the State side?

Chief Kane answered that's correct.

Alderman Gatsas asked have you received a number from the State that says that the \$135,000 is the correct number or is that just an assumption?

Chief Kane answered as far as I'm aware of, what the State does, the State notifies Finance of what that number is going to be, and the Fire Department, and we plug that number in. So that number originally comes from the State.

Alderman Gatsas asked Randy, can you...?

Mr. Sherman stated the State Retirement is based on a percentage of payroll. It's not done like the City's is where we have an actuary report, the State does actuary reports but they set a rate on payroll. The 2004 rate increased over the 2003 rate over 100 percent, but the rate for 2004 is the same for 2005. The 2005 rate is the same as the 2004 rate. So that is just a fact, the reason you've got that \$135,000 increase just a factor of the increase in the salary line.

Alderman Gatsas stated that's what I'm questioning. There was only a difference of about \$400,000 on the salary line, \$425,000, and we're talking about \$135,000 increase in the benefit line.

Mr. Sherman stated no, there is actually \$728,000, you have got to look at the overtime as well.

Alderman Gatsas asked and that's somewhere in the vicinity of 20 percent?

Mr. Sherman replied I'm not sure. Brent do you know what the exact State Retirement rate is?

Alderman Gatsas stated that's \$61,000, why do we see \$138,000 in there?

Mr. Sherman replied again, you've got to consider that you're comparing budgets. That's going on the assumption that the \$1.7 million is the correct number.

Alderman Gatsas asked in 2003 how much was your turn back or your surplus?

Chief Kane replied I don't have that figure.

Alderman Gatsas asked rough estimate?

Chief Kane answered I'd rather give you the actual figure. I don't have that.

Alderman Gatsas asked what equipment are you looking for? Let me see if I can refresh your memory.

Chief Kane asked what equipment would I like to have that's not included in this budget?

Alderman Gatsas answered yes.

Chief Kane answered some of the things that we would be looking for is additional money in protective equipment, for vehicle rust repairs.

Alderman Gatsas stated you're not giving me an amount. I'm not looking for an itemized list.

Chief Kane replied in equipment \$75,000 and we're looking for vehicles \$158,000.

Alderman Gatsas asked and what is that vehicle?

Chief Kane answered one is a 1987 maintenance truck, another one is a 1985 Ford van, but that is out of service, another one would be a 1999 car and other cars would be 2 vehicles for inspectors. There are three of them.

Alderman Gatsas stated that gets us somewhere right around \$230,000 magic number for 10 Police cruisers.

Chief Kane stated that's correct, that's perfect.

Alderman Gatsas asked what do you think your surplus is going to be.

Chief Kane replied I really...over that. I really don't have a hard number for you.

Alderman Gatsas asked Randy, does he write when he thinks its going to be over that?

Mr. Sherman stated I think we've already tried to answer that questions and we need a week to go back and take a look at that.

Chief Kane reiterated we really need to look at that.

Alderman Gatsas stated well I don't have a problem making a motion that with the checking of the Finance Officer that if those funds are available, that we expend them on the vehicles that the Chief was talking about along with the safety equipment.

Chairman O'Neil stated I don't have a problem doing that. I'd like to see a breakdown because not all of these vehicles cost the same amount of money. It's not like a Police cruiser with the same vehicles. The district chief's going to be more expensive than a utility van or I don't know what type of vehicle you're talking about for fire inspection. They generally have gotten hand me down cars.

Chief Kane stated we're in the Chevy Impala.

Chairman O'Neil stated I have no problem doing that. I'd just like to get a little bit of a breakdown and see what the costs are per vehicle.

Alderman Gatsas moved that if funds are available for the Fire Department after review by the Finance Officer, that the Fire Department expend up to \$230,000 for vehicles and safety equipment.

Alderman Shea asked Joe, how much did you set aside for repairs?

Chief Kane answered \$73,000.

Alderman Shea asked and if this were passed, how much would you save? In other words, would you save \$73,000?

Chief Kane answered not really. Most of that money when we talk about repairs, we're talking for the most part most of all repair money goes to the bigger trucks and that is eaten up for the most part with the trucks. So the amount of money that we would save in the cars, there probably would be a few dollars in there, but the trucks really eat it up.

Alderman Shea asked could you clarify what you mean by cars. Are these cars that you use, cars that the...what are you talking about when you say cars? Are these cars used to go from your house to the station or what are they used for?

Chief Kane answered the maintenance truck, basically is the truck that goes out and repairs the fire trucks. Communications van, basically is a van that carries the communications equipment around to different departments up to the communications tower up on the hill and the communications people use that.

Chairman O'Neil stated Chief, that vehicle didn't pass inspection. Do you have a loaner? The Transit Authority gave you a surplus vehicle they had.

Chief Kane answered right. That vehicle is currently out of service. And the other vehicles that I'm talking about would inspector's cars. Those would be the Impalas that we're looking at buying.

Alderman Shea asked an inspector's car, what does that mean?

Chief Kane replied someone who works in the Fire Prevention Bureau. Those are the guys that go out, they do arson investigations, they also do building inspection, they also do educational programs.

Alderman Shea asked you need a new car to do that?

Chief Kane answered the cars that they have currently are basically cars that have been handed down.

Alderman Shea asked could they get a second hand car. Not a \$20,000, but \$10,000 that has 30,000 miles on it or 40,000 at Merchant's Motors or something. Rather than \$20,000 that we were taking about. I'm just saying, how often do they use this?

Chief Kane answered they use it every day.

Alderman Shea asked around the City?

Chief Kane answered yes.

Alderman Shea asked not out of the City at all?

Chief Kane answered very rare. They may go to Concord or something like that up to the State lab or but no, for the most part most of those vehicles are in City. We don't really take too many vehicles out of the City at all.

Alderman Shea asked you're looking for two of these vehicles, is that correct? Or just one?

Chairman O'Neil stated I think he said three. I wrote down three, I thought that's what he said.

Chief Kane stated if we go back to the original thing, I can develop that list for the Aldermen in the next few days.

Chairman O'Neil stated with some costs per vehicle.

Chief Kane answered sure, I can do that and that would take care of your questions.

Alderman Shea stated some of the vehicles I think need to be obviously replaced but some others there's a little bit of wiggle room there in my judgement.

Chief Kane stated most of the vehicles that we look at replacing, are already hand me downs, so that they've already come from one place to another place and they're pretty old.

Alderman Shea asked is there a Chief's car? Is that a car for you or...? I don't understand what a Chief's car means.

Chief Kane replied district chief's car. Those are what we call the line cars. Those are the ones that go to the fires that the district chiefs use.

Alderman Shea asked so right now they are using one vehicle? There are several...

Chief Kane stated they share the vehicles.

Alderman Shea asked so they only have one.

Chief Kane answered there's one of them and each person shares the same vehicle, so not everyone has their own vehicle.

Alderman Shea asked so there's only one vehicle used by five district chiefs?

Chief Kane answered well there's actually two. One is a backup to that. They have two.

Alderman Shea asked so what you want to do is replace one of the two?

Chief Kane answered right.

Alderman Roy stated Chief, you had mentioned your year to date overtime was closer to \$750,000.

Chief Kane replied that's correct.

Alderman Roy asked so you're well on track for that Mayor's recommended \$900,000?

Chief Kane replied that's correct.

Alderman Roy stated switching gears and looking back at the maintenance truck, the van and the two cars is what I wrote down. I know we've had discussion on whether it's two or three. Are any of those vehicles that would need to go to the State bid?

Chief Kane answered they are all State bid.

Alderman Gatsas stated okay, so they all are covered by the State bid.

Chief Kane stated when the Police Department talked about their State bid and the Police Department talked about their cruisers and the timeframe that they can buy those cruisers in, not all of the vehicles in the State bid are under that time constraints. There are different time constraints set up for different vehicles and I really don't know what the, for instance, what the time constraints is on the Chevy Impalas. I'm sure that that's a different package than the cruisers. The cruisers are very specific and the reason why they're very specific is because the factory that makes those cruisers only produces those cruisers for a couple of months during the year. So that's why they have got to get the order in and out because once they stop making them, they stop making them.

Alderman Roy asked could you get us the description of vehicles and the timeframes and costs?

Chief Kane answered yes.

Alderman Lopez stated I don't know what the idea and I think we need some guidance from the Finance Director too here, because I think we're just spending and throwing motions out just to spend money that we don't really know exactly the verification that they have to do here. But along with that, as to what the priorities are going to be and one of the items, Randy, I'll ask you about. There is \$150,000 cash that we have in this year's budget. If there is going to be some type

of fund balance, of course if we spend all of the fund balance in each department, we're not going to be able to manage the books or have a fund balance next year. I think that you have to give us some guidance on that and some instructions. Secondly, I think that if it's possible could \$150,000 be taken out of their budget if they have a fund balance and be utilized for the wellness program?

Mr. Sherman replied the answer to the second question is yes. You could use it for the wellness program and I'd say probably about a month ago or so that was one of the recommendations that we had made to the Mayor's office when the Police Department and we were looking at vehicles and those types of things, trying to do the same thing Alderman Gatsas is trying to do. Bring next years capital back into this year and try to balance the budgets in that fashion. As far as the fund balance goes, right now the way the Ordinance is set up is you have a tax rate stabilization fund that is an audited number. By Ordinance you're allowed to use one half of that against your tax rate for this year. The number at end of last year I believe was about \$1.984 million and the Mayor rounded it off and used \$1 million. If you don't generate a surplus this year to add back into that fund, that then would only leave \$1 million in that account as you go into year 2006 budget and again you can only use half of it so you'd be dropping from \$1 million down to \$500,000.

Alderman Lopez stated I would like to really see some type of recommendation here so that we can save \$150,000 in the 2005 budget. If we can use \$150,000 for the wellness program if they think it's so important, I don't want to get into it because I asked Alderman O'Neil we were going to take it up in CIP, but I want to bring that point up. So it might not be a priority of a vehicle that is important. It might be the priority of taking \$150,000 this year so that you can have your wellness program. I want to bring that up and also I do want to mention since you also tax stabilization account, I need you to do... Since you brought up the tax stabilization account I am really concerned about it because it was not intended in my viewpoint to take the tax stabilization account and put it into the budget. To me it was the Board of Mayor and Aldermen that is responsible come October if we wanted to take some money out of the tax stabilization account to lower it. What we've done now we've taken \$1 million for expenses in the budget for these departments without really cutting anything. So I think the way I read that Ordinance is the Board of Mayor and Aldermen could use the tax stabilization account. So I hope that you review that to make sure because it serves no purpose as it's being used now to lower the tax rate if we're going to take the \$1 million the tax stabilization account and tell departments to put it under expenses and here's another million bucks. So I'm hoping that you will review that. We've had previous conversations about it but since you brought it up I want to bring that because it serves no purpose as it is. So if it's not serving a purpose and we're defeating the purpose, so we might as well just take the other \$900,000 and put it

in the 2005 budget and get rid of it, because if people are going to use it they way they're using it today, it's not right.

Alderman Gatsas stated I need to address that because Alderman Lopez is sitting there and I remember his vote a week ago for the accounts that the School set up for \$175,000. He wasn't concerned with the taxpayer or stabilization accounts at that date. All of a sudden he's worried about surpluses that the Fire Department has for equipment and safety gear? I think that's wrong. If you want to address it, address it again it was \$175,00 when I asked the question and it didn't matter in the budget at that point.

Chairman O'Neil stated ladies and gentlemen let's keep this discussions right now to the Fire Department.

Alderman Gatsas stated I agree.

Alderman Lopez stated I will answer that Mr. Chairman. I just said there ought to be a priority versus a vehicle that's in condition running out there and you're going to do a wellness program \$150,000. I said what is the priority. And secondly I said it's up to the chief Finance Officer to verify here. I think you mentioned one time about going in the middle of the night but we're like a bunch of drunken sailors sort of spending money...

Alderman Gatsas interjected back off that statement, Mr. Chairman.

Chairman O'Neil stated gentlemen, I think the message to the Finance Officer, he's been asked to take a look at it. The Chief will generate a list in case we decide to move in that direction.

Alderman Thibault stated let's go back a few seconds here where Alderman Shea was questioning those 2 or 3 vehicles that we were talking about. Give me an idea of how much mileage those vehicles do per year.

Chief Kane answered basically the list I have it doesn't have the mileage, but basically has a mileage, the first one is our maintenance truck has 125,000 on it. It is...

Alderman Thibault asked what year is it?

Chief Kane answered 1987. The next vehicle is already junk because it's off the road.

Alderman Thibault asked why?

Chief Kane answered the frame on the body was rotten. The next one has got 95,000; it's a 1999. The next one is a...

Alderman Thibault interjected here's the point. We're talking about safety issues here and we're saying that some of these firemen or officers can ride these cars with 130,000, 140,000 miles with no problem and some of them, as you just indicated, don't even run or don't pass inspection. Well I think to me that's a priority.

Alderman Garrity stated myself too I'm going to take exception to Alderman Lopez's comments saying that we're spending money like a bunch of drunken sailors. We requested that the Police Chief purchase 10 vehicles that he said has to be replaced immediately and we're talking about having the Fire Chief purchase turnout gear and protective equipment for our firefighters and I think those are smart buys and not done in haste.

Chief Kane stated I'd like to thank the Board for inviting us down.

Chairman O'Neil stated a couple of pieces in information I think we need to follow up on.

Chief Kane replied absolutely. I'll have some of those for the CIP meeting tomorrow night.

Chairman O'Neil stated there was a motion but there was no second to it. Is there a second to Alderman Gatsas' motion?

Alderman Garrity duly seconded the motion.

Chairman O'Neil asked the motion is what Alderman Gatsas?

Alderman Gatsas replied to tell the Chief what he has for reserves in a turn back position up to \$230,000 for equipment and safety gear.

Chairman O'Neil asked where did the \$230,000 number come from?

Alderman Gatsas answered \$75,000 for the safety equipment and \$158,000 for the vehicles for a total of \$233,000. So I just dropped it to \$230,000 as we did for Police.

Deputy City Clerk Johnson asked can I just clarify that the motion basically is the same thing as the Police except we're dealing with Fire equipment?

Chairman O'Neil answered correct.

Alderman DeVries stated I thought that we were waiting for clarification on the vehicles and certainly at that point in time if we wish then we could entertain the motion. We're not under May 21st deadline in order to catch the State bid to purchase these vehicles, so I don't think there's any further damage...the Chief already told us that, so there's not particular advantage in us rushing into this tonight and we can wait that information that's been requested to be sent back to us.

Alderman Lopez moved to table the previous motion pending information. Alderman Shea duly seconded the motion. Alderman Gatsas requested a roll call vote. Aldermen Osborne, Porter, Lopez, Shea, DeVries, Thibault and Roy voted yea. Aldermen Gatsas, Guinta, Sysyn and Garrity vote nay. The motion to table carried.

Chairman O'Neil stated I think everybody in the end is going to be supportive. Let's get a handle on what that number is.

c) Health

Fred Rusczek, Public Health Officer, stated I passed our two documents. One is just for background information. That would be the one with the seal on it. It just gives a list of our accomplishments over fiscal year 2003. And it gives a good overview of the sort of work that we've done and what we have been able to accomplish. The second is a copied off power point presentation I'd like to go through very quickly. First, and I know I've said this in the past, but thank you for helping the Health Department to new quarters. After many, many years of living in substandard and working in substandard space, to be in a facility that's laid out for a health department is truly a dream for someone like myself who has 30 years of experience. We've got facilities that have the right air handling for the upper respiratory diseases that we work with, space to operate clinics for 400 plus people. With outside funds we were able to add things like generators and we have space that's sufficiently laid out and we're very thrilled for that. One other thing that's been a very good change for us is that over the past year or so, past couple of years, our staff retention has improved greatly and that's important to us. Our medium length of employment now is about 5 years. That is the best it's been in the last 15 years. That's important to us because in our business experience is the most important factor to both quality and efficiency when employees know more, we can accomplish a lot more. So we're very happy that our staff is staying with us and that has enabled us to accomplish a lot more the number of folks that we have. Another key success over the past year has been that we've been able to

restructure our department to meet today's needs with the benefit of the Federal Public Health Preparedness Funding that we've gotten. And that's been very, very helpful. We've made some key changes and one of them is that for the first time in about 35 years we have a fulltime physician on our staff as a medical director. In the past we would contract with physicians on a part time basis and it was always hard to find some to take on the City work. That's helps us link in public health with the medical community. So now all of a sudden instead public moving on this path and the medical community moving on this path, we're intersecting, we're moving together as a community. We were all also able to then add on a pediatrician to head up our school and youth health service issues and this was all done because we're able to benefit from the outside funds and restructure. The community is much more prepared to address public health issue of today. We've got plans in place for everything from bioterrorism events, SARS outbreaks, influenza pandemics, and beginning to address with the community issues such as chronic disease prevention. I think you've probably all heard about Get Moving Manchester, which is a physical activity and obesity reduction program and nutrition program in our schools and we've been able to accomplish that because of some of the changes in our staffing patterns. We have a number challenges. First Manchester is not unique, but we are facing the issues of the world becoming much more of global society and SARS is a perfect example. SARS outbreak in China is of concern to Manchester for a few reasons. One of them is we do have an airport that connects up with airports that are international and we have a number of travelers, businessmen from this area whose business takes them to China on a regular basis. And China is an example, it could be Africa, it could be Australia, but wherever there's an outbreak in the world it could have an impact on Manchester just as any other community in the country. We have a changing demography. Over the period between 1990 to 2000 there has been a 35 percent increase in the number of kids who live in poverty and we've had a great increase in the number of families where English is a second language. Another challenge for us is we need to keep up with the rest of the world on developing our computerized activities and services and we need to develop electronic medical records and health records. We found that after doing some public health preparedness survey work that we are the only one of the major health players in this community that has yet to have electronic health records. There was something that was requested in our CIP budget, but because it was a very tight budget, it wasn't funded. We're looking now to see if we can find some other source of funds to create electronic health records. Which will allow us to connect seamlessly to the medical community in terms of health records. It will also allow us to build sufficiently as we move ahead with Medicaid billing and such.

Chairman O'Neil asked what was that request? Do you know?

Mr. Rusczek answered it was a request for \$100,000, but that would have put electronic health records in the schools. The efficiency would have saved hours of time but wouldn't have reduced staff because you need to have a staffing pattern for coverage. But we are looking on the outside at potential grant requests and we hope to find something there. Our chronic disease prevention is a great challenge as we've had tremendous increase in asthma in Manchester as elsewhere.

Increases in diabetes and heart disease continues to be a problem. Nationwide there's a great push to do much more for chronic disease prevention, both to improve the health of our society, but also to reduce health care costs. And we're looking at the development of what's known as the four pillars of chronic disease prevention, nutrition, physical activity, screenings, and healthy life styles. So with our medical director and others we're off in that area. The next slide just shows the City and school funded fulltime equivalents for the Health Department. This slide does not include fully outside funded positions and you can see that over the 5-year period between 2000 and 2004 we're down a little over 2 fulltime equivalent staff. Those were for 2 reasons; one of them is when we eliminated the parochial school nurses a couple of years ago and a half time clerical staff, that was about the 2 fulltime equivalent. And our reorganization allowed us last year to reduce a fulltime staff. The next chart, which is the organizational chart, very briefly shows how we're laid out and again I apologize that in black and white these don't show up quite like color. But across the bottom you see our three primary divisions. Our Coordinator of public health preparedness and Environmental Health Supervisor, Tim Soucy, that is one division. Our Medical Director hence our Community Health Services Division and the Pediatrician Director of School and Youth Health, looks at all of the children and school health issues. We've also made headway there on working on issues on mental health issues with youth and with the schools on suicide prevention and prevention of other issues. Where we differ from youth services is that we primarily on the prevention side. The organizational chart down below in color the dark boxes are positions that are fully funded from the outside. If you can make out about on that same side, the shaded boxes, those are positions and divisions that are supported by outside fund but not fully and again any box that is clear is a fully City funded position. The point of this slide is that over the years we have come to heavily rely upon outside funds to meet our day to day needs.

Chairman O'Neil asked Fred, would it possible, I don't know if there will be others down that the fact it's not color, I don't how important it would be, but is it possible to maybe get a color copy of that to show what you're really attempting to show there.

Mr. Rusczek responded we will do that. The next slide on functions and programs just highlights the 22 key programs in the Health Department and how they are organized. I think that this has been the same from year to year, but each of the

programs represents an outside source of funds typically or a commitment of staff to an identified activity. Now we get to the piece that you're all waiting for and those are the budget figures at this late hour. The Mayor's fiscal year 2005 Health Department budget, the expenditures are \$3,184,948. The revenue figure, and I'll mention the note down below, the revenue figure that's accurate is \$1,931,003. For net city cost of \$1,253,945. That is City cost and in the revenue figure is the school cost. That figure is approximately \$30,000 increase in the net cost for fiscal year 2004 and part of that is because that whenever we've been able to rely upon outside, and I'll explain the \$30,000 in a minute, but whenever we've been able to rely upon outside funds, that portion of the budget is the revenue has increased as well. So if the school cost goes up the revenue goes up. So our net City cost for the public health side of the budget is a \$30,000 increase. Now the revenue figure that I show here \$72,500 than is shown in the Mayor's budget and that is because we requested from the School Department \$72,500 to cover 2 additional LPNs in the high schools at \$37,500 each and \$5,000 to increase one nurse to fulltime in the Manchester Developmental Preschool. That wasn't funded on the school side, the expense are not included in the City side of the budget so the revenue is not there and I wanted to make that clarification. Now of the \$1,253,945 net City cost that's not covered by outside revenues some place, is a Rines Center cost of \$115,000 and that's up by about \$10,000 this year because now we have the whole building. The Health Department budget, the Rines Center cost, includes all the cost for Office of Youth Services, the Welfare Department, the art gallery, all of the maintenance costs, all the electric and what have you. So that's not just for the Health Department and again it leaves the Health Department non Rines Center costs about \$1,138,945. The next slide looking at the budget, it's a status quo budget. I show the difference in salaries between fiscal year 2004 and fiscal year 2005, percentage change for salaries alone is about 2.5 percent and again some of that is picked up by the revenue cost. The benefits increase is about 6.9 percent overall and going back to the budget from behind a tab in the City budget book, you can look at our health insurance costs because of our experience is actually going down by about 13 percent and it's also because new employees are coming on under Matthew Thornton Blue as opposed to full Blue Cross/Blue Shield benefits. And the increase in the benefits primarily are the result of the increase in retirement costs. Our expenses are increasing by 6.6 percent or by about \$10,000 and that increase is due in two areas. One an increase of about \$10,000 custodial costs. Again, we have the whole building now and last year the college had part of it and there was an increase in the City's liability insurance and at the same time about \$3,500, which was a wash from an equipment expense we had in 2004 of about \$3,500. The next slide just portrays what the cost is in terms of units. For the school health services side of the budget it costs for school health services about \$75 per student, which is covered by the public school charge back, and on the public health services side the cost is about \$10.59 per resident for the public health services that are not

covered by outside revenue. We are cost control conscience. We do our very best through activity and productivity reports to monitor what we're doing and what we're spending on. We rely heavily upon outside funding. I think we have close to 20 sources of funds. We have a service excellence team where we monitor our programs and services to try to keep them top notch throughout and we watch our expenses very closely.

Alderman Lopez asked on the \$115,000 for the Rines Center, youth services and Welfare doesn't pay any of that? Is that correct?

Mr. Rusczek answered that's correct.

Alderman Lopez asked now what about the cleaning up and maintenance? Is that under Frank Thomas or how does that work with your department?

Mr. Rusczek answered this includes the cleaning, outside maintenance like lawn mowing, snow removal and what have you. The more expensive preventive like plumbing work is covered by public building services.

Alderman Lopez asked but you don't utilize ServiceMaster then through the Highway Department for that building?

Mr. Rusczek answered we have a fulltime City funded custodian that oversees the building and a half time ServiceMaster provided custodian who handles the clinical space in the Health Department.

Alderman Lopez stated on the part timer I imagine he's the one that cleans up and sweeps the floors and that stuff.

Mr. Rusczek answered primarily within the first floor. Within the Health Department.

Alderman Lopez asked how much of a cost is that and how many square feet is he doing?

Mr. Rusczek answered in the building there's about 30,000 square feet. They both work together on a lot of projects. The City funded custodian will also do cleaning and trash removal and stuff as well. They kind of share the load. This way when the first estimate from ServiceMaster indicated it would take 2 fulltime equivalent people plus to take care of the building, so in working with public building services we felt this was the most cost efficient way to get this work done with less people than was recommended by ServiceMaster.

Alderman Gatsas stated Fred, I agree with you. Your space down there is absolutely beautiful. I've been through the building. I guess the only question I have is, why do we have Youth Services in a section of that building that doesn't have a window in it.

Mr. Rusczek replied a lot of Health Department staff don't have windows either. Right adjacent to Youth Services we have 14 people house in cubicle space without any windows at all and that lower level doesn't have a lot windows. It really doesn't.

Alderman Gatsas stated I noticed that your conference room or your conference center, I don't know how often you use that, but that's got an awful lot of windows and I just think that when you have troubled youth that come to the facility that sitting in a room with 4 walls and not very much space and no window certainly is not a place that I think the youth of Manchester, the problem youth of Manchester find any resolve in what they're trying to do. But besides that, let's go back to your numbers because when you say to me that the City's cost is only \$1.2 million, I look at it and say the charge back amount, that money that's coming from this end of the City to go to the schools for the charge back, if you don't think the taxpayers are paying for it, that's somewhere in the vicinity of \$.38 cents on the tax roll because you're showing them as revenues, we show them as expenditures, so your budget really on expenditures side is \$1.8 [million]. And I guess showing it as the net City cost because we're getting them back, really is not a fair picture.

Mr. Rusczek replied I'm sorry Alderman if I didn't make it clear. I did try to identify that the School Department is certainly City funded, but when we get to this part of the budget what I really have control over here at this point is just this.

Alderman Gatsas stated let's talk additional funds, if I may. What do you receive in Federal funds?

Mr. Rusczek answered in terms of the federal funds that come back to the City budget...let me explain. We receive some grants that go into CIP projects that don't show on the City of the budget. Examples are, we receive about \$300,000 a year for homeless healthcare that we turn around and contract out with Catholic Medical Center for services. We receive about \$500,000 per year for adolescent substance abuse treatment that is then contracted out with a number of community agencies and we don't have any expenditures on the Health Department side. So there is some Federal funds that go into separate CIP projects. Now as far as what shows here, and stop me if this isn't...

Alderman Gatsas stated let me be more specific, I'll stop you. Let's talk about homeland security funds.

Mr. Rusczek stated homeland security I don't get any money. Homeland security money doesn't go to health departments. We get the Center for Disease Control public health preparedness money and we get about \$700,000 a year for that.

Alderman Gatsas asked and is that money used for supplementing or supplanting?

Mr. Rusczek answered the money is used for supplementing but sometimes because of the way things are structured it allows us to have some savings elsewhere.

Alderman Gatsas asked can you tell me where that \$700,000 is spent?

Mr. Rusczek answered the \$700,000, and if this chart was clear, the \$700,000 pays for an information support tech person who is helping us not only with our day to day computer needs that Information Systems used to help us in the past, but is also working to develop surveillance systems, computer surveillance systems, our gleen health data audit stuff, working on electronic health records, and a variety of other tasks. We have a public health specialist under the community epidemiologist on that chart. That person's role is to coordinate a lot of the planning, particularly with the outlying communities. Some of the planning work that we do is for the Manchester hospital service area and so I can't City dollars to help plan what happen not only in Manchester, but in Goffstown and Bedford, so that person reaches to out to surrounding communities. The Federal money paid an additional community health nurse that enables us to better address our changing population. Paid for an additional environmental specialist because of the growing concerns around food safety and pays for part of the medical director and under the medical director a position that does the epidemiology, investigates all of the communicable diseases. Heretofore we never received any funding for communicable disease. And it pays for bits and pieces of other people too, when we're doing project related work. Alderman, I think that's all that are being paid for by public health preparedness.

Alderman Gatsas stated that's about 6 employees.

Mr. Rusczek stated there should be 6.

Alderman Gatsas asked and that whole \$700,000 goes to wage and benefits?

Mr. Rusczek answered no. Some of that money helps support training and education. The City conference space that we have is space that we're able to provide training not only for our staff but for others in the State. We were able to establish and institute a local public health practice, which will be a revenue generator for us where we're providing training to Nashua Health Department, State Health Department folks and others and so some of the funding goes to that. It helped us purchase better communications equipment for us. We now have beepers and phones and pays for some of the cost of that.

Alderman Gatsas asked wasn't that in a separate grant? Separate funding?

Mr. Rusczek answered there was the initial cost of some of the computers and stuff were part of a Health Alert Network Grant. But then the annual maintenance to pay for the beepers and phones and cell phones and stuff.

Alderman Gatsas asked that money came in 2004?

Mr. Rusczek answered right.

Alderman Gatsas stated this is 2005 money.

Mr. Rusczek stated and we have a 2-year contract with the State to continue the Federal money coming in.

Alderman Gatsas asked can you give me a broken down item of those funds and whatever other funds you receive both Federal and State and who is being paid for by them and what's being paid for by them?

Mr. Rusczek answered yes we can do that.

Alderman Gatsas asked so these 6 people were all new employees that you hired that you couldn't supplement with the employees that you had on staff?

Mr. Rusczek answered some of the positions were upgraded because of new responsibilities. For example, the Environmental Health Supervisor position, some of his time is going to help prepare the community for public health issues so we're able to charge off some of his salary but we can't supplant like things. For example, if we were doing a lot of that planning ahead of time and then Federal funds came along, we wouldn't be able to supplant his hours. For new activities so it's not supplanting but purchasing time, we're able to do it.

Alderman Gatsas asked what do you think your surplus is going to be?

Mr. Rusczek replied Alderman, at this time I don't know.

Alderman Gatsas asked what was it last year.

Mr. Rusczek answered last year based on this, I think it was very small. I don't have those figures and what the surplus was for last year.

Alderman Gatsas asked and have you been told that your retirement, the actuary number is going to be higher than what you've budgeted for?

Mr. Rusczek asked for this year? For 2004?

Alderman Gatsas answered for 2005.

Mr. Rusczek answered for 2005 we budgeted the figures that were input from the City Finance Department and the Mayor's office.

Alderman Gatsas stated I believe last week that Kevin told us that there was about a \$300,000 shortfall Randy? From the actuary?

Mr. Sherman replied yes. The preliminary number have come back even higher than this years number.

Chairman O'Neil asked for clarification, what does that mean in what we see before us? The Mayor's recommended number if \$190,000 for the Health Department.

Mr. Sherman stated they may be looking at another \$30,000 - \$35,000.

Chairman O'Neil stated Fred, just for clarification on Page 4, you mentioned Health Department budget, net City cost, and you said there were two LPNs for high schools and then you mentioned another position, I don't know if that was fulltime or part time, I didn't get all of that.

Mr. Rusczek replied no, the other position was we were looking to extend the hours of a nurse at the Manchester Developmental Preschool from 32 hours to 40 hours at an annual cost of \$5,000.

Chairman O'Neil asked that's on Auburn Street?

Mr. Rusczek answered right.

Chairman O'Neil asked any other questions for the Health Department? Any information, Alderman Gatsas asked for that information on the grants. Alderman, just the \$700,000 grant from...?

Alderman Gatsas replied no. All other grants.

Chairman O'Neil stated because he has quite a few grants if I recall.

Alderman Gatsas stated I was just wondering if any of those grants are available for you to give to Youth Services?

Mr. Rusczek answered Alderman, these are all grants that come from the Center for Disease Control and for tuberculosis control.

Alderman Gatsas stated I'm talking about I think you said that you contract with 3 or 4 other agencies for other services. You receive grants as I noticed in the front section for different items. I guess my first priority would be that Youth Services gets some windows in their space and maybe you could move the conference center to the other side of the building.

Mr. Rusczek stated actually the conference room, the City conference space, those were existing classrooms so they were left that way. We have a lot of staff who like Youth Services don't have windows as well. I'm fortunate, I have a window, but very few do. The windows are on the two floors above us.

Chairman O'Neil stated clarification. The \$700,000 per year grant, public health, what's the third word that goes with it?

Mr. Rusczek answered public health preparedness.

Chairman O'Neil asked and that goes for how long?

Mr. Rusczek answered the public health preparedness grant I think is going to continue for a while.

Chairman O'Neil stated so Alderman Gatsas was kind, he said homeland security, it's similar, it's just where the source of the funding is. It came out of the whole issue of homeland security.

Mr. Rusczek stated yes and no. I guess the appropriation came after 9/11 but the legislation that authorized it was actually in 2000.

Chairman O'Neil stated and I know you've made a presentation to us on this, but we forgot what we did last week, so never mind last year. I'll speak for myself on that. When you get a chance to get that information out, we'd appreciate it.

There being no further business to come before the Committee, on motion of Alderman Lopez, duly seconded by Alderman DeVries, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee